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Springfield, Illinois 62763-0002

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Memorandum

DATE: June 9, 2011

TO: Members of the Medicaid Advisory Committee

FROM: Julie Hamos
Director

RE: Medicaid Advisory Committee (MAC) Meeting

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The next meeting of the Medicaid Advisory Committee is scheduled for Friday, June 17, 2011. The meeting will be held via videoconference from 10 a.m. to 12 p.m. Those attending in Springfield will meet at 201 South Grand Avenue East, 3rd floor Video-conference Room B. Those attending in Chicago will meet at 401 South Clinton, 1st Floor video-conference room (Training Room #1).

Attached, please find the agenda for the meeting and the draft minutes from the May 6, 2011 meeting. As part of the Department's ongoing efforts to reduce administrative cost, copies of the material will not be available at the meeting. Participants should plan on bringing their own copies.

The material has also been posted to the Department's Web site at:
<http://www.hfs.illinois.gov/mac/news/index.html>

If you have any questions, or need to be reached during the meeting, please call 217-782-2570.

MEDICAID ADVISORY COMMITTEE

401 S. Clinton
1st Floor Video-conference Room (Training Room #1)
Chicago, Illinois
and
201 South Grand Avenue East
3rd Floor Video-conference Room
Springfield, Illinois

June 17, 2011
10 a.m. - 12 p.m.

AGENDA

- I. Call to Order
- II. Introductions
- III. Approval of May 6, 2011 Meeting Minutes
- IV. Director's Report
 - Budget/Legislative Session Update
 - Integrated Care Program Update
- V. Coordinated Care Discussion Paper
hfs.illinois.gov/cc/
- VI. Subcommittee Reports
 - Care Coordination Subcommittee Report
- VII. Open to Committee
- VIII. Adjournment

**Illinois Department of Healthcare and Family Services
Medicaid Advisory Committee
May 6, 2011**

**401 S. Clinton Street, Chicago, Illinois
201 S. Grand Avenue East, Springfield, Illinois**

Members Present

Eli Pick, Chairman
Susan Hayes Gordon, Children's Memorial
Kathy Chan, IMCHC
John Shlofrock, Barton Mgt.
Mary Driscoll, DPH
Shellie Harden, DHS for Glendean Sisk
Judy King
Linda Diamond-Shapiro, ACHN
Andrea Kovach, Shriver Center
Edward Pont, ICAAP
Karen Moredock, DCFS

HFS Staff

Julie Hamos
Theresa Eagleson
James Parker
Jacqui Ellinger
Lynne Thomas
Amy Wallace
Jamie Tripp
Tracy Keen
James Monk
Ann Lattig

Interested Parties

Karen Ayala, Du Page County HD
Kyung Jin Bae, KACS
Migdalia Ballona, Family Focus Aurora
Lisa Beaupre, Dyax Corp.
Stacey Bonn, Delta Dental of IL
Elodia Brone, IHC
Elizabeth Brunsvold, MedImmune
John Bullard, Amgen
Danny Burke, IHC
Sherri Butler, CSG
Kelly Carter, IPHCA
Joe Cini, IHC
Geri Clark, DSCC
Missy Cimarossa, DCFS
Mike Cole, ICARE - WI
Annette Coleman, DCFS
Michael Cotter, Meridian
Jennifer Creasey, AARP
Andrea Davis, CSG
Kevin Davis, CQuest
Diane Doherty, IHC
Margaret Dunne, Beacon Therapeutic
Diane Fager, CPS
Andrew Fairgrieve, Health Management Assoc.
Dee George, Dedreon
Rachel Gielau, Shriver Center
Tahani Hammad, HHCS
Barbara Hay, FHN

Members Absent

Alice Foss, IL Rural Health Assn.
Renee Poole, IAFF
Jan Costello, IL Home Care & Hospice Council
Melissa Vargas, AAPD Head Start DHI
Sue Vega, Alivio Medical Center

Interested Parties, continued

Jill Hayden, IPHCA
Marvin Hazelwood, Consultant
Freddy Hernandez, CDPH
George Hovanec, Consultant
Walter Howe, McLean County HD
Jennifer Hrycyna, DHS
Candice King, Du Page Federation
Jennifer Kons, ICIRR
Denise Koppit, Lake County HD/CHC
Tammagi Kulkarri, MD, Aetna Better Health
Michael Lafond, Abbott
Jane Longo, HMA
Nathan Mason, DHS
Deb Mathews, DSCC
Susan Melzer, IMCHC
Robert Mendoso, Aetna Better Health
Earnestina Milla, Arab American Family
Diane Montañez, Alivio Medical Center
Sharon Dyer-Nelson, DHS
Heather O'Donnell, CJE Senior Life
Deneen Omer, CSG/EVE project
John Peller, AIDS FDN of Chicago
Roy Pura, Glaxo Smith Kline
Cheryl Ramirez, ACMHAI
Mary Reis, DCFS
Jessica Rooney, Heartland Alliance
Ken Ryan, ISMS
Doug Schenkelberg, Heartland Alliance
Robin Scott, CDPH
Ivy Siu, CASL
Nelson Soltman, Legal Assistance Foundation
Jo Ann Spoor, IHA
Michelle Torres, Illinois Hunger Coalition
Huy Tran, CMAA
Deiry Velazquez, ICIRR
Allen Wang, CMAA
Brittany Ward, Beacon Therapeutic
Matt Werner, Consultant
Fanny Wong, ICIRR/SEAC
Martha Wright Comprehensive Bleeding Disorders

**Illinois Department of Healthcare and Family Services
Medicaid Advisory Committee
May 6, 2011**

**401 S. Clinton Street, Chicago, Illinois
201 S. Grand Avenue East, Springfield, Illinois**

I. Call to Order

Chairman Pick called the meeting to order at 10:10 a.m.

II. Introductions

Because of the large turnout for the meeting, introductions were limited.

III. Review of the Minutes

Andrea Kovach and Judy King recommended changes to the March 2011 meeting minutes. Under the Director's report section, the effective date for Medicaid reform needs to be corrected and it should be noted that a request was made for the department to provide a budget showing how cost saving projections were derived. A discussion occurred on meeting frequency and it was clarified that the MAC agreed to meet 6 times in 2011, but not specifically bi-monthly. With these revisions, the March 2011 minutes were approved.

IV. Director's Report

HFS director, Julie Hamos, provided the report.

Health Benefits Exchange: The state legislature is actively working on Health Benefits Exchange legislation. The benefits exchange will be a website market place for individuals and small businesses to look at different insurance options and make a choice. Medicaid coverage will be available to persons with income under 133% of the FPL (Federal Poverty Level). There will also be tax benefits for families with income up to 400% of the FPL. The Eligibility Verification and Enrollment process is part of the exchange.

Integrated Care Program: The department launched its Integrated Care program this month. The program, serving approximately 40,000 elderly and disabled persons in suburban Cook County and the collar counties, is being offered through two managed care plans, Aetna Better Health and IlliniCare Health Plan.

Fiscal Year 2012 Budget: The department is struggling with the challenge to make serious cuts. There has been discussion about the proposed 6% rate cut for medical providers. The state senate is trying for a 3% rate cut and the house is looking at a rate cut of less than 6%. The legislature is trying to get done early, but in reality the budget is not likely to be approved earlier.

Judy King asked if there has been discussion or proposed federal rules that the department must monitor recipients' access to care if the state lowers the provider reimbursement rate. Director Hamos advised that there are many challenges and the department intends to follow the final federal rule.

Andrea Kovach stated that there are two Health Benefits Exchange bills, HB1577 and SB1729. She noted that there is no mention of Medicaid enrollment or conflict of interest in HB1577, but there is in the Senate bill. She asked if the director could shed light on what would likely happen next with these bills.

Director Hamos stated that HB1577 is the bill most likely to move forward. The bill was developed by the insurance industry and they want a Health Benefits Exchange. Small businesses also want the exchange. The structure and governance of the exchange still needs to be decided. HB1577 sets up a 12 member legislative study committee that will come back with a report by September 30, 2011. It is likely that the bill will be introduced in the fall veto session scheduled for October this year.

Susan Hayes Gordon stated that the department had drafted the principles of care coordination and MAC members had made suggests regarding the principles. She asked about the next steps.

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Director Hamos indicated that the department continues to work with stakeholders and others in discussing care coordination. The next step is implementing care coordination and testing new models.

V. Eligibility Verification Enrollment Process

Jane Longo of Health Management Associates (HMA) gave the Illinois Health Insurance Exchange – Eligibility, Verification Enrollment (EVE) presentation. She provided participants with a PowerPoint handout (Attachment 1) as a guide and began by identifying the project team that included staff from HMA, Wakely Consulting, CSG Government Solutions and several independent consultants.

Ms. Longo stated the project's two main components were an organizational and impact assessment, followed by the EVE tasks. She reviewed the steps in each component and identified project deadlines. She then asked participants to identify characteristics of the current Medicaid/CHIP/All Kids EVE system and process to keep or to change.

There was a robust discussion with meeting participants providing the vendors with good feedback. Some of the ideas and concerns discussed by committee members and participants included: having a unique identifier to track the status of multi-program applications; having electronic case management with the ability to run reports; eliminating paper files; protecting personal information; creating a survey tool to solicit comments on policy, process and technology; studying clients' access and usage of computers; providing real-time customer support with cultural/language limitations of clients being addressed; expanding enrollment at medical provide sites, and aggressive engagement needed with employers and businesses to reach the working uninsured. It was recommended that the All Kids Application Agent process be continued and that the EVE project team look at the Access to Benefits and Services Report at http://www.hfs.illinois.gov/assets/0708_access.pdf

VI. MAC Care Coordination Subcommittee

At the March MAC meeting, members voted to establish a new subcommittee to examine how the current PCCM program could be enhanced to become a coordinated care option as defined in P.A. 96-1501. At the time it was suggested that a workgroup would look at the existing PCCM activity to help establish a subcommittee charge. A draft charge for the new subcommittee was included with the material sent out for the meeting today.

Prior to discussing the draft charge, Dr. Pont provided a handout (Attachment 2) to the meeting participants and presented some recommendations to enhance the PCCM program. Dr. Pont made a motion that the MAC advise the department to consider the changes recommended today's meeting from an operational point of view and, if implemented, consider these changes sufficient to satisfy the "integrated delivery system" definition in the Medicaid reform legislation.

During discussion of the motion, members acknowledged Dr. Pont's presentation as a good starting point, but felt the new subcommittee would need to meet for further review and discussion before the motion could be approved. Upon a vote the motion was denied.

Director Hamos continued the discussion stating we do want to enhance PCCM and that the department is proud of the medical home concept. The question is what is most helpful to do next.

James Parker added that there is time for the new subcommittee to provide the department with input. He indicated there are providers already working on models, but the first part of the process is to define the minimum requirements a plan will have to meet in order to be considered a care coordination model, and that the department will be doing this over the summer months.

The discussion returned to consideration of the draft Care Coordination Subcommittee charge. It was recognized that the draft charge was broader than enhancement of the current PCCM model. Director Hamos asked that the committee consider whether the subcommittee's charge should be

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broadly defined or primarily focused on the PCCM program. The following summarizes the group's discussion on the subcommittee's charge.

The charge should include common principles that may be applied to different medical practices, as there are likely overarching goals that apply to all populations. And, although there are different sets of issues that must be considered when focusing on specific populations, such as children, disabled persons or seniors, there will be principles that cut across all populations. The charge should include consideration of the needs of all the different populations served under HFS' medical programs. In addition, the subcommittee's charge should include looking at the health disparities that exist.

Director Hamos added that the department is changing its focus from providers to the needs of the people being served. And, that the State's new "budget of outcomes" reflects this change in mindset.

Chairman Pick asked that the department recruit members for the subcommittee and to include elements discussed on the subcommittee charge. The charge may be reviewed once the subcommittee has met.

VII. Terms of Officers

Theresa Eagleson, Division of Medical Programs Administrator, stated that the extension the MAC officers' term would end soon. She recommended that the committee maintain the current membership and consider extending the offices through the end of the year, at which time the committee would elect new officers as laid out in the bylaws.

It was clarified that the extension through June 30, 2011 had been passed by the MAC previously at the September 2010 meeting.

Ms. Hayes Gordon made a motion that the terms of the current officers be extended through next year. This motion was passed unanimously.

VIII. Open to Committee

Ms. King indicated that she would like to learn more about pharmacy and prescription drugs access including what drugs are on the formulary and the process for drug utilization review. She is interested in learning how medications are placed on the preferred drug list. Chairman Pick suggested that the committee could review the process at the next meeting.

Ms. King requested that the department provide enrollment data, either quarterly or monthly, broken down like the committee use to get. Ms. Eagleson stated that the department now has enrollment data available online. Ms. King said she is interested in program outcomes and that the department doesn't show enrollment data for Illinois Care Rx or the Illinois Breast and Cervical Cancer program. Ms. Jacqui Ellinger indicated that the enrollment data the department use to provide to the MAC was for children and families only and that the current on-line reports show the four major populations. Ms. King noted that the on-line reports cannot be downloaded in order to make comparisons of zip codes or counties. To ensure that the department understands all Ms. King's concerns, Director Hamos requested that she submit them in writing.

NOTE: At this point the Chicago meeting room lost the audio/video connection with the Springfield group. Chairman Pick suggested that members email any other requests to the Springfield office.

IX. Adjournment

The meeting was adjourned at 12:10 p.m. The next MAC meeting is scheduled for June 17, 2011.

Today's Agenda

Illinois HIX Needs Assessment Team

Illinois HIX Needs Assessment Project

Eligibility, Verification and Enrollment - Federal System Requirements

Eligibility, Verification and Enrollment - Discussion

HEALTH MANAGEMENT ASSOCIATES

Functions of New EVE System

- Current Medicaid eligibility functions w/ACA changes
 - Modified Adjusted Gross Income
 - No asset tests or income disregards
 - Track "newly eligible"
- Exchange functions
 - Determine eligibility for subsidies
 - Administer subsidies
 - Enroll individuals & businesses
 - Plan choice

HEALTH MANAGEMENT ASSOCIATES

Federal EVE System Requirements

- Efficient, economical & effective
- Accurate & timely determinations and communications with providers and enrollees
- Useful in program evaluation and improvement - data & reports
- Seamlessly integrates Medicaid/CHIP & HIX processes
- Based on single Medicaid/CHIP & HIX application
- Accessible online, in person, by phone, on paper

HEALTH MANAGEMENT ASSOCIATES

Today's Agenda

Illinois HIX Needs Assessment Team

Illinois HIX Needs Assessment Project

Eligibility, Verification and Enrollment - Federal System Requirements

Eligibility, Verification and Enrollment - Discussion

HEALTH MANAGEMENT ASSOCIATES

EVE Discussion Topics

- Characteristics of current Medicaid/CHIP/AllKids EVE system & processes to keep? To change?
- New characteristics to include in EVE system & processes for: Medicaid/CHIP/AllKids; Health Insurance Exchange; TANF; Food Stamps; WIC
- What other EVE factors should we consider?

HEALTH MANAGEMENT ASSOCIATES

**Illinois Health Insurance
 Exchange (HIX) -
 Eligibility, Verification and
 Enrollment System
 Medicaid Advisory Committee Meeting
 May 6, 2011**

Today's Agenda

Illinois HIX Needs Assessment Team

Illinois HIX Needs Assessment Project

Eligibility, Verification and Enrollment – Federal System Requirements

Eligibility, Verification and Enrollment - Discussion

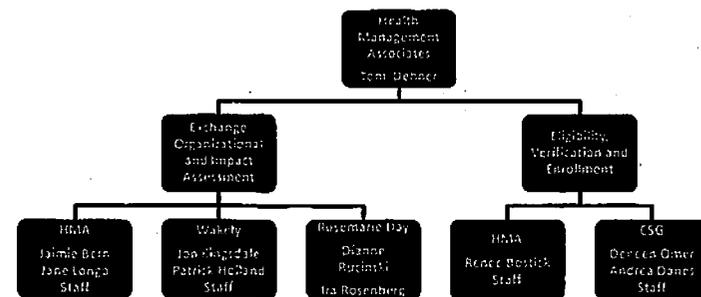
HEALTH MANAGEMENT ASSOCIATES

Project Team

- **Health Management Associates** - Tom Dehner, Jane Longo, M. Reneé Bostick, Jaimie Bern, Matt Powers, Rick Hamilton
- **Wakely Consulting** – Jon Kingsdale, Patrick Holland, Kathie Mazza, Ann Hwang
- **CSG Government Solutions** – Andrea Danes, Deneen Omer, Sherri Butler
- **Independent Consultants** – Rosemarie Day, Ira Rosenberg, Dianne Rucinski

HEALTH MANAGEMENT ASSOCIATES

**Illinois Exchange Planning Project
 The HMA Team**



HEALTH MANAGEMENT ASSOCIATES

Today's Agenda

Illinois HIX Needs Assessment Team

Illinois HIX Needs Assessment Project

Eligibility, Verification and Enrollment – Federal System Requirements

Eligibility, Verification and Enrollment - Discussion

HEALTH MANAGEMENT ASSOCIATES

Organizational & Impact Assessment

2	<p>Address Potential Impacts of Enrollment Options on the Insurance Market: Identify any policy issues, changes or program design issues that may impact the market. Identify any potential impacts on the market that may be caused by the increase in the number of enrollees.</p>	Victory
4	<p>Estimate Impact on Other State Programs: estimate state costs related to increased Medicaid and other health program enrollment. Identify options to address changing, estimate impact on public employee group insurance. Identify other policy issues and options.</p>	HMA

HEALTH MANAGEMENT ASSOCIATES

Eligibility, Verification & Enrollment

2	<p>Specify Federal Requirements for Eligibility, Verification and Enrollment: Identify any federal requirements for eligibility, verification and enrollment.</p>	HMA
4	<p>Specify State Requirements for Eligibility, Verification and Enrollment: Identify any state requirements for eligibility, verification and enrollment.</p>	HMA & CIG

HEALTH MANAGEMENT ASSOCIATES

HIX Needs Assessment Schedule

<p>STATE REQUIREMENTS</p> <p>Eligibility Assessment</p> <p>Project Launch: Project Management</p> <p>Self-Term Oral Report</p> <p>Peer Final Report</p> <p>Final Report</p> <p>Oral Presentations</p>		<p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>26</p> <p>27</p> <p>28</p> <p>29</p> <p>30</p> <p>31</p>
<p>STATE REQUIREMENTS, VERIFICATION AND ENROLLMENT</p> <p>Project Launch: Project Management</p> <p>Self-Term Oral Report</p> <p>Peer Final Report</p> <p>Final Report</p> <p>Oral Presentations</p>		<p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>26</p> <p>27</p> <p>28</p> <p>29</p> <p>30</p> <p>31</p>

HEALTH MANAGEMENT ASSOCIATES

Principles of Care Coordination Comprehensive services linked by an "integrator." Payments reflect patient complexity	Current PCCM PCP office serves as care coordinator	Proposed change to PCCM Diminution or elimination of the care coordination fee for patients who do not receive comprehensive care	Operational changes proposed VFC participation; 24 hour coverage; extended hours; assessment of well care rates	Enhanced care coordination fee for medically complex patients
Initial intake assessment	No formal policy	Encourage providers to perform comprehensive intake assessment	Modifier on new code for enhanced reimbursement	MN example, AAP Bright Futures
Provide care across multiple settings and providers	No formal policy	Enhance communication between PCP and other providers of health care	Utilization of the IHC portal to facilitate communication between the PCP and specialist	"Who's my PCP" function to enhance communication between ER and PCP
Electronic Health records & quality assessment	Periodic physician reports with statewide comparisons	Encourage utilization of electronic health records	Utilize "meaningful use" criteria, consider augmenting federal incentives	
Risk-based payment systems	P4P and well care bonuses based on HEDIS metrics	Regional or systemwide risk pool linked to improved nonurgent ER and hospital utilization		